



Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 9/3/2002

GAIN Report #AS2022

Australia

Grain and Feed

Grains Update - September Lockup 2002

Approved by:

Andrew C. Burst

U.S. Embassy

Prepared by:

Mike Darby

Report Highlights:

The 2002/03 Australian wheat and barley crops continue to be negatively affected by dry conditions. Wheat output is expected to be over 20 percent below year-earlier levels. The Australian Bureau of Agricultural & Resource Economics expects even greater declines in 2002/03 output for both wheat and barley.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Canberra [AS1], AS

Post forecasts Australian wheat production for 2002/03 at 19.05 MMT, around 20 percent (4.9 MMT) below the estimate for the previous year. Despite recent falls of rain, drier than average weather conditions across much of Australia's growing area continues to negatively impact wheat yields. Post's forecast assumes a return to more normal weather conditions for the remainder of the growing season. This level of production would represent the smallest crop since 1995/96.

Post estimates area planted to wheat for 2002/03 at 11.776 Mha, in line with ABARE's forecast and representing a decrease of six percent (750,000 Ha) compared to the previous year. Sowing is now complete.

ABARE's forecast for Australian wheat production in 2002/03 presently stands at 17.1 MMT, according to the latest Crop Report dated August 1, 2002. This forecast is 16 percent (3.36 MMT) lower than ABARE's June forecast and represents a fall of 29 (6.86 MMT) percent on the current estimate for the previous year. ABARE considered a below average climatic outlook for the remainder of the season in arriving at this forecast. The next ABARE Crop Report is scheduled for release on September 10, 2002.

AWB Ltd, in a report issued on August 22, 2002, forecasts total Australian wheat production for 2002/03 in a range of 15.5 to 17.5 MMT. AWB Ltd reports that this forecast is based on the latest indicative weather conditions and the current status of the national crop.

Post forecasts barley production for 2002/03 at 5.9 MMT, representing a fall of four percent on production for the previous year. Post assumes a return to more normal weather conditions for the remainder of the season. ABARE forecasts barley production for 2002/03 at 5.39 MMT, representing a fall of around 28 percent (2.1 MMT) on the current estimate for the previous year.

The Australian Bureau of Meteorology reports that during the sowing period (May 1 to July 31, 2002), the majority of the cropping belt received below average rainfall. The worst affected growing regions appear to be most of WA, eastern Victoria, most of NSW and south eastern Queensland.

Post anticipates that without a return to normal rainfall in drought affected areas through the end of September, further reductions in forecast wheat and barley production are highly likely. According to industry sources, if current drought conditions persist, the largest declines in forecast production can be expected in Victoria, southern NSW and WA.

Reductions in expected output of wheat and barley in 2002/03 are expected to trim availabilities of these two commodities for export. Exports of wheat in 2002/03 are projected to fall sharply from the 17.6 MMT exported in 2001/02. Similarly, barley available for export in 2002/03 will be sharply lower than in 2001/02.

AUSTRALIA WHEAT: State-Level Statistics					
(Million Hectares; Tons Per Hectare; Million Tons)					
			ABARE	ABARE	POST
			EST.	EST.	EST.
	2000/2001*	2001/2002	2002/2003	2002/2003	2002/2003
Queensland			Jun	Aug	Sept
Area	0.987	0.730	0.450	0.450	0.450
Yield	1.306	1.027	1.111	1.556	1.667
Prod	1.289	0.750	0.500	0.700	0.750
New South Wales					
Area	3.645	3.720	3.430	3.430	3.430
Yield	2.299	1.935	1.931	1.469	1.720
Prod	8.380	7.200	6.622	5.040	5.900
Victoria					
Area	1.259	1.360	1.300	1.300	1.300
Yield	2.683	2.059	1.950	1.885	2.000
Prod	3.378	2.800	2.535	2.450	2.600
South Australia					
Area	2.119	2.120	2.100	2.100	2.100
Yield	2.116	2.476	1.610	1.619	1.857
Prod	4.484	5.250	3.380	3.400	3.900
Western Australia					
Area	4.753	4.590	4.490	4.490	4.490
Yield	1.306	1.656	1.648	1.225	1.314
Prod	6.209	7.600	7.400	5.500	5.900
Total					
Area	13.002	12.526	11.776	11.776	11.776
Yield	1.827	1.913	1.737	1.452	1.618
Prod	23.756	23.960	20.457	17.100	19.050
Estimates based on historical Australian Bureau of Agricultural and Resource Economics reports.					
* Source: Australian Bureau of Statistics					

AUSTRALIA BARLEY: State-level Statistics					
(Million Hectares; Tons Per Hectare; Million Tons)					
			ABARE	ABARE	POST
			EST.	EST.	EST.
	2000/2001*	2001/2002	2002/2003	2002/2003	2002/2003
Queensland			Jun	Aug	Sep
Area	0.123	0.090	0.080	0.080	0.080
Yield	1.008	1.144	1.288	1.500	1.500
Prod	0.124	0.103	0.103	0.120	0.120
New South Wales					
Area	0.643	0.535	0.550	0.550	0.550
Yield	1.997	2.121	1.740	1.345	1.545
Prod	1.284	1.135	0.957	0.740	0.850
Victoria					
Area	0.735	0.732	0.750	0.750	0.750
Yield	2.450	2.049	1.780	1.667	1.800
Prod	1.801	1.500	1.335	1.250	1.350
South Australia					
Area	1.114	1.020	1.050	1.050	1.050
Yield	2.241	2.598	1.900	1.762	1.762
Prod	2.496	2.650	1.995	1.850	1.850
Western Australia					
Area	1.050	1.000	0.950	0.950	0.950
Yield	1.394	2.000	1.789	1.474	1.684
Prod	1.464	2.000	1.700	1.400	1.600
Total					
Area	3.675	3.389	3.392	3.392	3.392
Yield	1.958	2.201	1.805	1.589	1.739
Prod	7.196	7.459	6.122	5.390	5.900
Estimates based on historical Australian Bureau of Agricultural and Resource Economics reports.					
* - Source: Australian Bureau of Statistics					